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ONTARIO ASKS OTTAWA TO RE-EXAMINE NATIONAL HIGHWAY PROGRAM

TORONTO -- Ontario Treasurer Floyd Laughren has asked the federal government to re-examine its national infrastructure initiative.

The federal government has proposed to the provinces a \$14 billion, 10-year National Highway Initiative.

Describing the proposal as "insufficient for economic renewal and unfair to Ontario," Laughren spelled out Ontario's objections to the federal proposal.

"First of all it is too narrow in focus. The federal proposal falls well short of the broader infrastructure initiative suggested by Ontario and discussed by First Ministers.

"First Ministers agreed that forms of infrastructure other than highways, such as municipal infrastructure, information technologies, and other types of traditional physical infrastructure be looked at as well.

"Second, the First Ministers emphasized the need to link infrastructure with the changing economy, but the federal proposal does not do this.

"And third, the amount allocated to Ontario in the current federal proposal is unfair to the citizens of this province.

"Ontario accounts for 37 per cent of the population of Canada. Ontario taxpayers contribute 43 per cent of federal revenues. Yet under the federal proposal Ontario would only receive 15 per cent of federal money for the highway proposal.

"A program that offers New Brunswick more than \$750 per capita, as this one does, and offers Ontario only \$64 per capita is by anyone's standards clearly inequitable.

"In addition, considering that 80 per cent of the jobs lost in the recession have been in Ontario, a 15 per cent share of a national job creation program for Ontario barely begins to meet our requirements.

"Of the \$14 billion to be spent on upgrading Canada's national highways over ten years under the federal proposal, \$7 billion would have been spent by provinces anyway. The remaining \$7 billion would be shared equally between the federal government and provinces.

For Ontario this means \$62 million annually in federal spending over the next ten years. That is simply not enough. And the narrow focus on four lane highways means that this investment may not go toward the most economically - beneficial projects."

Laughren outlined Ontario's position in a statement to the Legislature.

-30-

FOR MORE INFORMATION, CALL:

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